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Proposal: Interagency Advance Notice of Proposed Rulemaking:  
Procedures to Enhance the Accuracy and Integrity of  
Information Furnished to Consumer Reporting Agencies  
under Section 312 of the Fair and Accurate Transactions  
(FACT) Act

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Comments:

After reading other comments it seems that others have had the same great experience I have of understanding how the credit game is being played in the new age of information and automation. The real issue here seems to be one of information security, the confidentiality, integrity and accessibility of credit data. Some of my own experiences include: · Three SBA related loans thru a small micro lending organization in the Phoenix, AZ area. The first was for \$500.00, the second was \$3000.00 and the final loan \$11,000.00. Only one of these loans has been reported, the first for \$500.00. The first loan went very smoothly, even though I had to be assertive to get it reported to credit agencies. The process I was subjected to in order to obtain the last two loans was horrendous. During the application process for both second and third loans my business plans were given to someone of a different race who was in the same program and was starting the identical type of enterprise as my own existing business. My business plans were rewritten by others before they were submitted to the loan committee to reflect an entirely different business model than what I was using. Both loans were delayed to give the other businessperson an advantage and create problems for my own business. In addition after the second loan the person in charge of this agency attempted to show me as delinquent on payments. I had to fight for three months to get this lending agency to correct my payment history. The only reason I was able to get my third loan was because I fought and was successful in getting my credit history corrected on the second loan. Still, after all of this, I can not get the last two loans reported as positive even though they were paid off ahead of time and all the stipulations of these loans were met appropriately. · One of my credit reports indicates over 20 addresses where I have never lived. Most do not even exist or are incorrect duplicate variations of addresses where I have lived. I have had some corrected only to have them reappear three to six months later. · Two creditors have turned me over to collections for mistakes they made. Both sold my account to other companies even though the errors were supposed to have

been corrected. It has been impossible to get these corrected. · The local cable company shows I had a check bounce. They took the amount of the check and charges out a second time. I have shown them proof of payment by providing them with the electronic routing information of the payment and copies of my bank statements. I have been fighting this for two months and they have as yet to correct this error. The cable company keeps telling me that they have not seen the documents even though I have delivered everything in person at least once. When I do get this finally straightened out I will then have my credit report to deal with, basically going thru this process again. · At various times credit card companies have called and demanded payment for accounts that are not overdue. Some have reported me for 30-90 days past due when payments have been made on time. They will sometimes call if I do miss one payment and demand large amounts to be paid immediately and telling me that I am 60-90 days late when I can see online that I am not and if I do not make a payment I will be reported as such. They have sometimes called five or more times a day and hung up. They will then call back and are abusive through attitudes and demands in the hopes I will make a mistake and they can have an unfair advantage. Even though FCRA Section 623 states that a person is prohibited from furnishing information relating to a consumer to any consumer-reporting agency if the person knows or has reasonable cause to believe that the information is inaccurate, large amounts of information can be reported in many ways that are deemed acceptable to creditors or their respective associates. Attempts to have credit information corrected largely goes ignored when dealing with creditors customer service representatives. They often leave notes in an account that are incorrect and influence the decisions of subsequent customer service representatives. My experience is that these types of creditor practices are designed to circumvent credit-reporting procedures and may be used in discriminatory ways. What makes these situations worse is the fact many creditors have created other new ways to subvert the current reporting system. One of these is the assigning of credit collections and customer service to outside companies many of which are overseas, making it difficult if not impossible in some instances for consumers to pursue appropriate legal action. These practices not only affect poor and low-income consumer and businessperson, they also affect middle to upper income ones as well. The ability to tie large amounts of financial and personal information together and target anyone on an individual basis has created a situation in which creditors, their employees or anyone with access to credit reports has the ability to milk anyone for more and more assets and resources. The individuals behind these practices know that by doing these things it takes the targeted person time, effort and money to correct their lives. They also know that this process often leaves someone with little or no financial ability to obtain any recourse and that with the current lack of oversight by authority the repercussions of their actions will often go unnoticed, if not unpunished. The real outcome of these abuses is a type of identity theft. Or more aptly put, if someone guards their personal financial data and it is not easily stolen the next best thing to do is damage that individual's credit to the greatest extent possible, thus giving that individual a different identity, even while they retain their personal and financial data. As the process now stands, none of the basic principles of information security; confidentiality, integrity and accessibility of credit data, are being appropriately applied to the credit reporting process in any way that reflects a stable and secure banking system. It is long past the time for these credit-reporting practice changes to be addressed. Unfortunately it may take more than just a ruling to make any real significant change. What is necessary will be enforcement similar to Sarbanes, HIPAA, G-LB, and CA SB1386 with significant consequences for senior management for the credit reporting policies and practices of their organizations.